



City of Temecula
Community Development Department

Temecula Mortgage & Rental Assistance Program (MRAP) Guidelines

March 18, 2021

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Introduction

The City of Temecula (City), as an entitlement grantee under the Community Development Block Grant (CDBG) Program, receives an annual allocation from the U.S. Department of Housing and Urban Development (HUD) to use in the implementation of eligible programs.

In response to the Coronavirus Pandemic (COVID-19), the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) program has awarded a formula allocation of CDBG-CV grant funding to be used by the City for the prevention of, preparation for, and response to COVID-19. This allocation was authorized by the Federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, which was signed on March 27, 2020.

The City will be utilizing a portion of their CDBG-CV funds to implement a Temecula Mortgage and Rental Assistance Program that provides limited rental and mortgage assistance in response to the COVID-19 pandemic. The CDBG-CV Temecula Mortgage and Rental Assistance funds shall be used to provide urgent mortgage and rental housing assistance to predominantly low- and moderate-income individuals and families impacted by the COVID-19 pandemic.

Program Definitions

Arrears:	Prior month rent or mortgage payments that are due and have not yet been paid by the tenant/ property owner.
Family:	The term “family” refers to individuals or families, with or without children. As defined at 24 CFR 5.403, “family” includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status: 1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or 2) A group of persons residing together, and such group includes, but is not limited to a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family); an elderly family; a near-elderly family; a disabled family; a displaced family; and the remaining member of a tenant family.

Program Marketing and Outreach

Program marketing shall be initiated by the City's Community Development Department and may include any of the following:

- Social Media postings/ Public Service Announcements/ Advertisements in a media of general circulation;
- Flyer/ Advertisement on the City website;
- Public service announcements on City cable television;
- Posting at community centers and other locations where individuals and families seek services;
- Posting at City Hall;
- Posting at other City facilities; and
- Any other means of advertising as approved by deemed appropriate by the Community Development Department.

Marketing and outreach shall facilitate fair access and transparency. The program shall not rely solely on web-based marketing and outreach. Alternative, non-digital forms may include electronic display board advertisements, or shared marketing with other entities/ organizations providing emergency assistance. Information for applicants shall include any necessary pandemic related disclosures and social distancing guidelines.

To facilitate meaningful access to program participation for residents with Limited English Proficiency, activities will be conducted in accordance with the City's current Limited English Proficiency Plan.

A log shall be kept to document marketing and outreach to individuals and families who may be eligible for Temecula Mortgage and Rental Assistance funds.

Program Description

The Temecula Mortgage and Rental Assistance program provides emergency and limited rental and mortgage assistance grants up to a total amount of \$7,500 to low- and moderate-income individuals and families economically impacted during the COVID-19 pandemic through job loss, furlough or reduction in hours or pay, residing in the City.

Emergency grants are rental or mortgage payments up to a maximum of 100 percent of the monthly rent or mortgage payment made on behalf of income-eligible applicants. Assistance payments can be made for a period of no more than three (3) consecutive months, but may not exceed a total of \$7,500. All or a portion of assistance can be used to pay back rent or mortgage amounts (arrears). All payments will be made directly to the entity servicing the mortgage or the landlord/ property manager on behalf of the individual or family. The City may also use CDBG-CV funds for program implementation costs such as direct personnel and non-personnel costs.

Temecula Mortgage and Rental Assistance Program payments of mortgage or rent shall be paid by the date specified on the mortgage or lease agreement and program staff shall verify that proper on-time partial or full mortgage or rent payment has been made. The Temecula Mortgage and Rental Assistance Program will log all payments made on behalf of eligible individuals or families.

This activity is a public service activity under the CDBG program regulations at 24 CFR 570.201(e) as allowed pursuant to 24 CFR 570.207(b)(4) and the CDBG-CV Federal Register Notice that provides emergency grant payments made over a period of up to six (6) consecutive months directly to the provider of the housing. The activity is further regulated pursuant to 24 CFR 570.208(a)(2)(i)(B) whereby applicants shall supply information on family size and income to qualify.

Eligible Assistance

The City will pay 100 percent of arrears owed and/ or current/future mortgage or rent due (for a period of no more than three (3) consecutive months. The maximum assistance shall not exceed the lesser of \$7,500 or the sum of three (3) months' mortgage or rental payments.

Eligible Period for Assistance

The program cannot provide more than three (3) consecutive months total of mortgage or rental assistance.

The following months are eligible for arrears assistance: The period from August 2020 to present are eligible for mortgage or rental assistance.

Applicant Eligibility

Applications will be made available through the City's program consultants. An interested applicant will complete a Pre-Application Questionnaire located at TemeculaCA.gov/MRAP. This Pre-Qualification Questionnaire will determine applicant eligibility. If an applicant is unable to complete the questionnaire online through the provided link, they may request a paper version of the questionnaire by calling (951) 693-3910 or emailing mrmap@temeculaca.gov to obtain information about designated locations for pick up.

All applications and supporting documentation shall be submitted via the City's electronic online portal located at or submitted in person (by appointment only) to:

Community Development Department
RE: Temecula Mortgage and Rental Assistance Program Application
41000 Main Street
Temecula, CA 92590

To be eligible for assistance, an applicant must meet the following requirements:

Temecula Mortgage and Rental Assistance Program

- Primary residence located within the incorporated limits of the City.
- Applicant's primary residence is the assisted unit.
- Current annual family income that does not exceed the HUD's established "Moderate-Income" limits for Riverside County. Family income eligibility is based on the following two (2) factors (see Annual Income Definition and Documentation section below):
 - The total number of people residing in the housing unit; and
 - The total amount of current annual family income for all family members 18 years of age and older, as stated in the Program Application and confirmed by supporting source documentation
- Experienced an economic impact because of the COVID-19 pandemic (job loss, furlough or reduction in hours or pay) (see Documenting Economic impact during COVID-19 section below)
- Current mortgage or lease agreement for a housing unit located in the incorporated limits of the City.
- Submit evidence of the current mortgage or rent balance (for arrears payment only).
- Certify that the applicant has neither received nor will seek any other source of assistance from any private, local, state, or federal funding source for the same period of mortgage or rental assistance.
- Complete program application and submit required supporting documentation to determine program eligibility.

Individuals and families that are currently participating in any publicly-assisted housing program are ineligible under this program (e.g., Section 8 Housing, etc.).

Annual Income Definition and Documentation

To determine family income for all applicants, the City will use the annual income definition as defined by HUD at 24 CFR 5.609 (commonly referred to as Part 5). All household members are considered members of the family for the purposes of determining income eligibility. The City will use the Part 5 method to calculate the annual income by projecting the prevailing rate of income of the family for the next 12-month period as measured from the date that the City performs the income determination.

Each applicant will need to provide verifiable documentation to support the applicant's stated income. The income limits for this program are:

Family Size	1	2	3	4	5	6	7	8
80% Median Income	\$42,200	\$48,200	\$54,250	\$60,250	\$65,100	\$69,900	\$74,750	\$79,550

Effective [July 1, 2020] for the Riverside-San Bernardino Metropolitan Area and updated annually.

As defined at 24 CFR 5.403, “family” includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status: 1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or 2) A group of persons residing together, and such group includes, but is not limited to a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family); an elderly family; a near-elderly family; a disabled family; a displaced family; and the remaining member of a tenant family.

Therefore, family member information must include, at a minimum, the following:

1. Full names and ages of all family members living in the residence; and
2. Signature of all adult family members age 18 or over, certifying that the information provided related to the annual family income and family composition is correct.

Documenting Economic Impact during COVID-19 pandemic period

Applicants must submit documentation confirming negative economic impact during the COVID-19 pandemic period. Acceptable documentation of negative economic impact shall include:

1. A copy of family member(s) notification of job loss/termination from employer during the eligible pandemic period (March 1, 2020 to present); or
2. A copy of family member(s) notification of furlough from employer during the eligible pandemic period (March 1, 2020 to present); or
3. A copy of family member(s) notification or employer-signed form confirming reduction in hours and/or pay during the eligible pandemic period (March 1, 2020 to present). The **Exhibit 2** to the Program Guidelines may be used for this purpose; or
4. A copy of family member(s) application during the eligible pandemic period (March 1, 2020 to present) and/or approval for Unemployment Insurance benefits; or
5. A signed notarized affidavit including the name of the family member who is self-employed, the name and nature of the business, and narrative confirming economic impact on self-employment during eligible pandemic period (March 1, 2020 to present); or
6. Other appropriate documentation acceptable to the City.

Eligibility Determination

Eligibility for the Temecula Mortgage and Rental Assistance Program will be determined upon an instituted lottery process. Applications will be received starting (April 12, 2021) through (April 26, 2021). Submitted applications will then be entered into a lottery system (completed by a third-party provider and validated by program staff and the City’s attorney).

A total of 65 rental applications and 35 mortgage assistance applications will be selected for initial review. Review of the completed program applications with all required information and documents will be conducted by program staff.

The program application form will include the following information and require supporting, verifiable documentation to be submitted:

- Applicant name, address, email, phone number(s) and family information
- Income certification for family or individual
- Requested period of assistance
- COVID-19 impact documentation
- Mortgage documentation; including:
 - Arrears information (if applicable)
 - Monthly payment statement issued by mortgage company
- Lease documentation; including:
 - Copy of current, written lease executed between property owner/ manager and individual or family
 - Arrears information (if applicable)

Applicants are cautioned not to submit original documents and to only submit copies. Documents supplied to the City in connection with program applications will not be returned.

Eligible individuals and families will be assisted until all Temecula Mortgage and Rental Assistance funds are depleted. At that time, the City will maintain a waitlist of interested individuals and families. The waitlist will be maintained for up to six (6) months from the date of fund depletion. Applicants will be placed chronologically on the list according to order of the lottery results. If the City identifies additional funds for the Temecula Mortgage and Rental Assistance Program, staff will assist additional eligible individuals and families in accordance with program guidelines identified above.

Intake and Assessment Process

Program staff shall review application information and provide an eligibility determination to each applicant. If an application is determined to be incomplete, a letter will be sent listing the outstanding documentation required. The applicant family will have fourteen (14) calendar days to provide the required information. If the required documentation is not received or determined to be insufficient at the time of its next review, the applicant will be given one additional week to submit necessary documentation. If the required documentation is not received or determined to be insufficient the application at that time, the application can be denied/terminated unless the Community Development Director determines there is a just cause for granting an extension. Once the program application is complete, staff shall recommend it for approval or denial or request additional information.

Upon approval of a program application, eligible individuals and families will execute an agreement with the City. The City will require each mortgage company or property owner/property manager to submit a completed W-9 Form (Request of Taxpayer Identification Number) prior to issuing the award. The individual or family will be responsible for collecting this information from the property owner/property manager or mortgage company. Payment of Emergency Housing Assistance will exclusively be made to a third party. The City will not make any direct payments to the applicant family or individual.

Each month, the assisted individual or family is responsible for submitting a monthly assistance confirmation, verifying the need for continued rental or mortgage assistance.

If an application is denied, staff shall send a letter to the applicant indicating the reason(s) for denial and shall include notification of the applicant's right to appeal the decision in accordance with the Appeals section of these Guidelines. The City shall maintain a file of any application that is denied, and that file shall contain all submitted information and documentation, as well as the reason for denial (e.g., over income limits, incomplete information, or reside outside service area).

Appeals

Applicants may appeal application denials. Appeals shall be submitted in writing to the Director of Community Development (41000 Main Street; Temecula, CA, 92590) within seven (7) calendar days of the date of the application denial letter. The written appeal shall state the reason(s) why the applicant believes the application denial was in error and provide any additional documentation necessary to support the applicant's assertion of same. The Director of Community Development and staff will review the appeal and issue a determination in writing within fourteen (14) calendar days and that determination shall be final.

Duplication of Benefits

All participating individuals and families must comply with the U.S. Department of Housing and Urban Development's guidance regarding Duplication of Benefits, as required by the CARES Act and HUD guidance and documented in the City's Duplication of Benefits Policies and Procedures. At a minimum, individuals and families are not able to have received other federal or non-federal benefits or assistance for the same uses of this grant program and must certify that they will not pursue other federal or non-federal benefits for the same uses of this grant program in the future. If a recipient receives a duplicative form of assistance, it must return the grant assistance to the City within seven (7) days as stated in the Grant Agreement.

False Claims

Applicants shall certify on the Program Application under penalty of perjury that "The information provided on this form is subject to verification by HUD at any time, and Title 18,

Section 1001 of the U.S. Code states that a person is guilty of a felony and assistance can be terminated for knowingly and willingly making a false or fraudulent statement to a department of the United States Government.”

Applicant Confidentiality

Employees and agents of the City will not disclose any applicant’s personal confidential information as part of the program. All confidential information of applicants will be kept in a locked secured storage facility or password protected electronic files and unavailable to persons outside of the program. At all times, the City will abide by all requirements stated within the Privacy Act of 1974 as amended. If the City receives a request for public records related to the program, only non-confidential information, as verified by the City, will be provided.

Nondiscrimination

The Temecula Mortgage and Rental Assistance Program shall be implemented consistent with the City’s commitment to State and Federal equal opportunity laws. No person shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with CDBG-CV program funds on the basis of their disability, family status, national origin, race, color, religion, sex, marital status, medical condition, ancestry, source of income, age, sexual orientation, gender identity, gender expression, genetic information, or other arbitrary discrimination.

The City will provide reasonable accommodations and/or modifications, or provide language assistance to individuals requesting such assistance to benefit from the services provided by the Temecula Mortgage and Rental Assistance Program.

Conflict of Interest

In accordance with 24 CFR 570.611, no member of the governing body and no official, employee or agent of the local government, nor any other person, either for themselves or those with whom they have business or immediate family ties, who exercises policy or decision making responsibilities will financially benefit from this program.

Program Guidelines Changes or Modifications

Minor changes to these Implementation Guidelines involving administrative procedures or accommodations to adapt to unique applicant situations or opportunities, or regulatory changes may be performed with the approval of the Community Development Department. Federal regulatory requirements for the CDBG program are not subject to modification or revision.

Exhibit 1: Program Application

(attached)

Exhibit 2: Verification of Income or Reduction of Hours and/or Pay

To Employer: _____ Date: _____

From Applicant: _____

Applicant's Address: _____

I have applied to the City of Temecula Rental & Mortgage Assistance. In order for my eligibility to be determined, the City must verify all of my income and the impact of COVID-19 on my income. The requested information is for the confidential use of the City program and the U.S. Department of Housing and Urban Development only. Please furnish the information requested below and return to the applicant. Questions can be submitted to the City by emailing mrmap@temeculaca.gov

(Signature of Applicant)

(Date)

EMPLOYER'S VERIFICATION

Employee's Name: _____ Position Held: _____

Dates of Employment: From _____ To _____

Types of Employment: ____ Permanent ____ Temporary ____ Seasonal ____ Intermittent

Probability of Continued Employment: _____

(For Income Verification)

RATE OF PAY: (estimated, if not actually paid on hourly, monthly or annual basis):

\$ _____ hourly; \$ _____ monthly; or \$ _____ annually

Additional Compensation: (actual amounts received in past 12 months)

Overtime: \$ _____, Tips: \$ _____, Commissions, Bonuses: \$ _____

(For Pay and/or Hours Reduction)

RATE OF PAY CHANGE: (estimated, if not actually paid on hourly, monthly or annual basis):

Rate of Pay (prior to COVID-19 impact): \$ _____ hourly; \$ _____ monthly; or \$ _____ annually

New Rate of Pay (changed as a result of COVID-19) as of ____/____/____ (mm/dd/yy):

\$ _____ hourly; \$ _____ monthly; or \$ _____ annually

REDUCTION OF HOURS WORKED: (estimated if not actual):

Former Regular Hours Worked (prior to COVID-19 impact): Hours per ____ day; ____ week; or ____ month

New Regular Hours Worked (changed as a result of COVID-19) as of ____/____/____ (mm/dd/yy):

Hours per ____ day; ____ week; or ____ month

Printed Name of Employer	Employer Signature	Phone Number	Date